

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6394**

**BILL NUMBER: SB 213**

**NOTE PREPARED:** Dec 16, 2014

**BILL AMENDED:**

**SUBJECT:** Legislative Business Per Diems.

**FIRST AUTHOR:** Sen. Delph

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides a greater legislative business per diem amount for legislators who reside more than 50 miles from the state capitol building.

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:** *Summary* - This bill could increase expenditures by the House and Senate by a combined total of about \$370,000 for a long session year and about \$330,000 for a short session year. The estimate includes increased per diem payments during the session, interim, and increased subsistence payments (calculated at 40% of the federal per diem rate). Increases in expenditures would be dependent on the federal rate of reimbursement (which changes annually) and provisions regarding legislator pay provided for in future budget bills. The House, Senate and Legislative Services Agency are funded by appropriations from the state General Fund.

**Additional Information** - This bill provides that legislators residing more than 50 miles from the state capitol building receive per diem equal to 110% of the maximum portion of per diem allowed for lodging in Indianapolis from the federal per diem rates for Indiana. Currently, this amount is \$159. The estimates assume 115 per diem days for a long session and 70 per diem days for a short session. The interim estimate is based upon the per diem amounts paid to legislators residing more than 50 miles from the state capitol building during the 2013 and 2014 interims.

During 2013 and 2014, there were 107 legislators residing more than 50 miles from the state capitol building.

Per diem is paid every day that the legislature is convened in regular or special session and also when authorized by the Speaker of the House or the President Pro Tempore of the Senate for official business.

Subsistence is paid for each day that the legislature is not convened in regular or special session, and it is equal to 40% of the federal per diem rate (\$63.60). Subsistence is paid for each day after Organization Day in November until the first session day in January if a legislative business per diem is not paid for official business.

**Explanation of State Revenues:** Since per diem payments are taxable income, there could be a minimal increase in state and local income tax revenues as a result of increasing the amount of per diem payments to certain legislators.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See *Explanation of State Revenues*.

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:** U.S. General Services Administration, FY 2015 Per Diem Rates for Indiana.

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